

**BUDGET ENFORCEMENT ACT OF 1997**

*Title X of the Balanced Budget Act of 1997, Pub. L. 105-33, title X, §10114, August 5, 1997, 111 Stat. 690; August 6, 1997; U.S. Code: 2 U.S.C. 645.*

**SEC. 10114. ADJUSTMENTS.**

(a) IN GENERAL.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

## “ADJUSTMENTS

“SEC. 314. (a) ADJUSTMENTS.—

“(1) IN GENERAL.— After the reporting of a bill or joint resolution, the offering of an amendment thereto, or the submission of a conference report thereon, the chairman of the Committee on the Budget of the House of Representatives or the Senate shall make the adjustments set forth in paragraph (2) for the amount of new budget authority in that measure (if that measure meets the requirements set forth in subsection (b)) and the outlays flowing from that budget authority.

“(2) MATTERS TO BE ADJUSTED.— The adjustments referred to in paragraph (1) are to be made to—

“(A) the discretionary spending limits, if any, set forth in the appropriate concurrent resolution on the budget;

“(B) the allocations made pursuant to the appropriate concurrent resolution on the budget pursuant to section 302(a); and

“(C) the budgetary aggregates as set forth in the appropriate concurrent resolution on the budget.

“(b) AMOUNTS OF ADJUSTMENTS.— The adjustment referred to in subsection (a) shall be—

“(1) an amount provided and designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985;

“(2) an amount provided for continuing disability reviews subject to the limitations in section 251(b)(2)(C) of that Act;

“(3) for any fiscal year through 2002, an amount provided that is the dollar equivalent of the Special Drawing Rights with respect to—

“(A) an increase in the United States quota as part of the International Monetary Fund Eleventh General Review of Quotas (United States Quota); or

“(B) any increase in the maximum amount available to the Secretary of the Treasury pursuant to section 17 of the Bretton Woods Agreements Act, as amended from time to time (New Arrangements to Borrow);

“(4) an amount provided not to exceed \$1,884,000,000 for the period of fiscal years 1998 through 2000 for arrearages for international organizations, international peacekeeping, and multilateral development banks; or

“(5) an amount provided for an earned income tax credit compliance initiative but not to exceed—

“(A) with respect to fiscal year 1998, \$138,000,000 in new budget authority;

“(B) with respect to fiscal year 1999, \$143,000,000 in new budget authority;

“(C) with respect to fiscal year 2000, \$144,000,000 in new budget authority;

“(D) with respect to fiscal year 2001, \$145,000,000 in new budget authority; and

“(E) with respect to fiscal year 2002, \$146,000,000 in new budget authority.

“(c) APPLICATION OF ADJUSTMENTS.— The adjustments made pursuant to subsection (a) for legislation shall—

“(1) apply while that legislation is under consideration;

“(2) take effect upon the enactment of that legislation;

and

“(3) be published in the Congressional Record as soon as practicable.

“(d) REPORTING REVISED SUBALLOCATIONS.—Following any adjustment made under subsection (a), the Committees on Appropriations of the Senate and the House of Representatives may report appropriately revised suballocations under section 302(b) to carry out this section.

“(e) DEFINITIONS FOR CDRS.— As used in subsection (b)(2)—

“(1) the term “continuing disability reviews” shall have the same meaning as provided in section 251(b)(2)(C)(ii) of the Balanced Budget and Emergency Deficit Control Act of 1985; and

“(2) the term “new budget authority” shall have the same meaning as the term “additional new budget authority” and the term “outlays” shall have the same meaning as “additional outlays” in that section.”.

(b) TABLE OF CONTENTS.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding after the item relating to section 313 the following new item:

“SEC. 314. ADJUSTMENTS.”.



JOINT EXPLANATORY STATEMENT OF THE  
COMMITTEE OF CONFERENCE

H. Rept. 105-217  
105<sup>th</sup> Congress, 1<sup>st</sup> Session

***15. Addition of a new section '314' of the Congressional  
Budget Act.<sup>1</sup>***

*House Bill (Section 11113)*

Adds a new section 314 to the Budget Act containing some of the elements in the now-eliminated title VI.<sup>2</sup> Most importantly, section 314 provides a procedure for adjusting the appropriate budget resolution levels for certain legislation for which similar adjustments are provided in the statutory discretionary spending levels under section 11203 of this title. The adjustments are for continuing disability reviews, the IMF, arrearages and emergencies.<sup>3</sup>

In a change from current law, the appropriate spending levels are adjusted for legislation designating funding for emergencies instead of the previous practice of simply not counting such spending against the budget resolution's levels.<sup>4</sup>

In another change in allocation procedures for the House, the adjustments are made only for the consideration of the relevant legislation and do not become permanent until the legislation is actually enacted.

*Senate Amendment (Section 1611)*

The Senate amendment is the same as the House language with slight modifications.

*Conference Agreement (Section 10114)*

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<sup>1</sup> See Joint Explanatory of Managers for the *Balanced Budget Act of 1997*, H. Rept. 105-217, pp. 993-94.

<sup>2</sup> The BEA 1997 repealed title VI in its entirety. See §158 (Codex) for the history of this CBA title.

<sup>3</sup> The *Budget Control Act of 2011* eliminated these program adjustments except for continuing disability reviews. It amended generally and made permanent the *Balanced Budget and Emergency Deficit Control Act of 1985*. BBEDCA had fully expired at the end of fiscal year 2006.

<sup>4</sup> When the BCA 2011 amended section 314, it returned emergency spending to the pre-BEA 1997 system of not "counting" emergency spending, which is the current law procedure.

The Conference agreement reflects the House bill with modifications. The conference agreement provides for a process for the Budget Committee Chairman to make adjustments to levels set forth in or pursuant to a budget resolution for emergency legislation, continuing disability reviews, an IMF allowance, an allowance for international arrearages, and earned income tax credit compliance. The purpose of these adjustments is to ensure that budgetary limits, are only adjusted for the legislation that meets the specific criteria spelled out in this section. This section sets out a process regarding discretionary spending limits that is similar to the process in section 251 of GRH.<sup>5</sup>

Subsection (a)(1) provides the general authority for the Budget Committee Chairman to make adjustments for legislation. Subsection (a)(2) provides the Chairman with the authority to revise the levels set forth by or pursuant to a budget resolution. Subsection (b) provides the criteria for legislation that qualified for the adjustments. A bill, resolution, amendment or conference report must meet the specific terms spelled out in one of these paragraphs before the Chairman can make any adjustments pursuant to this section. Subsection (c) provides that the adjustments only apply while the legislation is under consideration and only take final effect upon the legislation's enactment. The conferees intend that the adjustments only apply while the legislation that meets the terms of one of the paragraphs of subsection (b) is under consideration. In subsection (c), the reference to 'legislation' means a bill, joint resolution, amendment, motion or conference report. It is the Chairman's responsibility to ensure these adjustments are only available for legislation that meets the terms of subsection (b). This could necessitate that the Chairman reverse the adjustments, particularly the aggregates, after the pending legislation is disposed of.

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<sup>5</sup> GRH is an outdated reference to "Gramm-Rudman-Hollings", and refers to Senators Phil Gramm, Warren Rudman, Ernest Hollings, the names associated with the *Balanced Budget and Emergency Deficit Control Act of 1985*.